

# Ten things you need to know about aims

Ian Marcouré provides a framework that you can base your revision around

## 1 Aims

These are generalised goals that can form the basis of more specific, perhaps SMART (specific, measurable, achievable, realistic and time-bound) objectives.

**Example:** in 2014 Waitrose announced plans to double the size of its business in the next 10 years (this is virtually an objective, but Waitrose has its own confidential targets to achieve the aim in less than 10 years).

**Advantage:** if the directors can agree the aims it becomes easier to set objectives and agree how to generate the resources needed, e.g. extra capital to finance expansion.

**Disadvantage:** it is easy to overstate aims, which risks making them too ambitious, e.g. Tesco aiming to become a global grocer led to its disaster in the USA.

## 2 Corporate social responsibility (CSR)

Programmes established by many companies to give a sense of moral purpose to the business, its staff and its customers.

**Example:** ABF plc, owners of Primark, established a detailed CSR programme after the 2013 Bangladesh factory collapse raised questions about Primark's ethical standards.

**Advantages:** if carried out with conviction, a CSR programme might help unify staff.

**Disadvantage:** corporate social responsibility may just be public relations 'spin', of little real value.

## 3 Commitments

These are the activities and actions promised by businesses as part of their CSR programmes.

**Example:** Sainsbury's claims it will 'encourage 20 million children to enjoy physical activity' by 2020.

**Advantages:** commitments such as these can help staff in big corporations feel that their work has a higher social purpose.

**Disadvantages:** businesses can be criticised for commitments that ignore other ethical aspects of their work, e.g. selling crisps and sweets on a buy-one-get-one-free basis.

## 4 Mission

When a sense of higher purpose turns into something inspiring. **Example:** UK start-up Zesty says 'Our mission is to make access to Healthcare appointments a lot easier for consumers'.

**Advantage:** a real sense of mission can unite staff and customers in wanting to make the business succeed.

**Disadvantage:** there's always a risk that an ambitious manager will try to simulate a mission where none really exists. This can lead to cynicism on the part of staff.

## 5 Mission statement

A written record of what the management believes to be the firm's mission.

**Example:** Marks and Spencer's 'To be the standard against which others are measured, to make aspirational quality accessible to all and quality, value, service, innovation and trust'.

**Advantage:** this can be the basis for inducting new staff and training existing ones.

**Disadvantage:** if the statements are too aspirational, staff may find it impossible to believe that they are attainable.

## 6 Organisational culture

Often described as 'the way we do things round here', culture incorporates the attitudes and behaviours that have developed among staff within an organisation.

**Example:** in January 2013 a senior director of Barclays resigned after admitting destroying a document setting out the 'culture of fear, intimidation, bullying and mismanagement' at the bank's stockbroking and investment arm, which managed assets worth £180 billion.

**Advantage:** a positive culture can make a workplace supportive and motivating.

**Disadvantage:** a culture such as the one at Barclays can make work something to dread.

## 7 Principles

These should set out the moral basis of the firm's operations, i.e. its ethical stance.

**Example:** John Lewis (owned by the staff) says it has seven principles: 'purpose, power, profit, members, customers, business relationships, the community'.

**Advantage:** a real statement of principles could help staff take more pride in working for the organisation.

**Disadvantage:** the John Lewis list shows the hollowness of some of this use of language. There is no principle that links those seven terms.

## 8 Purpose

An explanation of the point of it all, i.e. what the business thinks it's for.

**Example:** John Lewis says its purpose is 'the happiness of all its members, through their worthwhile and satisfying employment in a successful business'.

**Advantage:** stating the purpose may help staff make the right decision when facing something tricky, e.g. when a customer demands an 'incentive' to close a deal.

**Disadvantage:** many staff may regard statements about purpose as nothing more than 'hot air'.

## 9 Values

These are the moral purposes that the business says its staff shares.

**Example:** Sainsbury's says its business is based on five values: 'best for food and health, sourcing with integrity, respect for our environment, making a difference to our community and a great place to work'.

**Advantage:** clearly stated values might help staff make ethically sensitive decisions.

**Disadvantage:** statements of values may end up being an uninspiring wishlist, as in the Sainsbury's example.

## 10 Vision

This is the picture of the future that can form the basis of the aims.

**Example:** 'a 3D printer for everyone, democratising production', Conor McCormack, Mcor Technologies CEO.

**Advantage:** the vision can drive the aims. In the above example, McCormack's vision implies developing 3D printers that are cheap and widely available, like 2D printers today.

**Disadvantage:** the vision may look too far into the future to help generate sensible strategies for today.

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Ian Marcouré is the founding editor of Business Review.